



JACKIE CONTRERAS, Ph.D.
Interim Director

**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

Board of Supervisors

GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 17, 2011

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: Jackie Contreras, Ph.D.
Interim Director

REPORT ON FAMILY PRESERVATION FUNDING FORMULA, ENHANCED CONTRACT MONITORING AND CORRECTIVE ACTION PLAN

At the April 19, 2011 Board meeting, when a request was made to your Board to approve extending the term of the Family Preservation (FP) contracts for one year from July 1, 2011, through June 30, 2012, your Board instructed the then Acting Director of Children and Family Services to provide a report regarding how the funding formula was applied to the FP contracts; a corrective action plan and detailed strategy on how the new Request for Proposal (RFP) process for FP contracts will include monitoring, deliverables and quality assurance.

FAMILY PRESERVATION FUNDING FORMULA AND RATE

The Family Preservation funding formula was based on the number of children in out-of-home care within each DCFS regional office and countywide programs. To address a retroactivity issue, the funding formula for FY10-11 was based on six (6) months of actual billing and six months of projected costs. The goal was to maintain the current level of services being delivered by the providers. While the rates for the various units of service are uniform and remain unchanged for all agencies, the actual maximum obligation amounts differ because of variations in service delivery.

ENHANCED STRATEGY FOR FP CONTRACTS MONITORING, DELIVERABLES AND QUALITY ASSURANCE, AND CORRECTIVE ACTION PLAN

In response to this motion by your Board, DCFS has enhanced program monitoring to increase and improve our programmatic and fiscal oversight of the FP program.

The enhancement of the current monitoring process includes a new feedback protocol for the regional offices to communicate with the FP Administration staff, establishes more precise timelines for performing the Technical Reviews (TR) and submitting the letter of findings to the agencies following the TRs, and outlines the process for how agencies should respond if a corrective action plan is warranted. In addition, it outlines the process that DCFS will follow when billing discrepancies are not addressed by the agencies in their responses to the TRs.

DCFS will also begin evaluation of all our Family Preservation providers with a goal of determining the efficacy of the various service delivery models in relation to performance outcomes and cost effectiveness. The evaluation is targeted to be completed by December 2011.

Moreover, the Department currently anticipates redesigning the FP framework by Summer 2011, which will be included in the upcoming Request for Proposals. The intent is to lay out a new system of service which includes prevention, assessment, intervention and aftercare.

A corrective action plan addressing many of the concerns you have expressed was reviewed and approved by the County's Retroactive Contracts Review Committee in March 2011, after their review of a retroactive matter affecting some Family Preservation contracts for Fiscal Year 10-11. It highlights the need to ensure the monthly tracking of budget vs. expenditure for each agency, appropriate training and oversight to prevent retroactive contracts, and the need to immediately elevate contracting concerns to the Chief Deputy and the Director.

If you have any questions, please contact me, or your staff may contact Aldo Marin, of my staff, at (213) 351-5530.

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

JC:DY:dg